



## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

February 9, 2006

#### CERTIFIED RETURN RECEIPT 7002 0510 0003 8603 2397

Star Stone Quarries, Inc.  
Lon Thomas  
4040 South 300 West  
Salt Lake City, Utah 84107

Subject: Five-Year Review of Reclamation Surety Estimate, Star Stone Quarries, Inc., Peoa Blonde Quarry, M/043/012, Summit County, Utah

Dear Mr. Thomas:

Thank you for providing the information requested for the five-year review of the Cotton Thomas Operations. The Division finds based on the information reviewed along with a site visit, that the only changes required for the reclamation cost estimate is a five-year escalation. The surety escalated to the year 2011 is \$114,900. A Surety Estimate Update is attached for your use. Please provide the updated surety within 60 days or no later than March 31, 2006.

The request to add additional acreage to the permit area was received with the maps for this review, received January 30, 2005. The request is denied because it is a separate permitting action and should be requested as an application to amend the plan. A copy of the form MR-REV is available on the Division's website.


The current surety is in the form of surety bond. Please contact your agent to discuss what action must be taken to increase the dollar amount of the existing bond. You may also contact the Division Minerals Surety Coordinator, Beth Erickson at (801) 538-5318 to answer questions and discuss bonding details and requirements for Division approval. To further assist you, please visit our website at [www.nr.utah.gov](http://www.nr.utah.gov) to view bonding forms and obtain additional information about process, terms, conditions, and bond requirements.



Page 2  
February 9, 2006  
Lon Thomas  
M/043/012

If you are unable to provide the surety within this timeframe, please contact the Division with justification for requesting additional time. Thank you for your help in keeping the surety current. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,

A handwritten signature in black ink that reads "Susan M. White". The signature is written in a cursive style with a large, stylized "S" and "M".

Susan M. White  
Mining Program Coordinator  
Minerals Regulatory Program

SMW:jb

Attachment: Surety estimate update

cc: Mike Ford, BLM, State FO  
Doug Jensen, DOGM  
Beth Ericksen, DOGM

P:\GROUPS\MINERALS\WP\M043-Summit\M0430012-PeoaQuarry\Final\01132006bond-escal.doc



## SURETY ESTIMATE UPDATE

12-Jan-06

Star Stone Quarries, Inc.

Peoa Blonde

FILE # M/043/012

Summit County

Prepared by Utah Division of Oil, Gas &amp; Mining

Last Update

5/3/2000

## DESCRIPTION:

-Previous reclamation surety estimate was \$43,109 in year 2000 dollars

-Reclamation Estimate base amount calculated in 2000-\$

**-This update adjusts the surety amount for escalation only.**

Surety was calculated on the basis of 22.2 acres, one acre was allowed for an internal road to remain as access to home located below site at a maximum width of 12'.

Topsoil placement was calculated at 6" to be placed over the entire site.

because no variance was allowed for any storage areas within the site.

All buildings to be removed.

A \$5000.00 bond is being held by Summit County for the removal of the trailers at the site, therefore removal of the trailers are not a part of this bond estimate.

2.5 acres allowed for highwalls

-Escalation factors through 2004 are actual Means Historical Cost Indices

-Total disturbed area = 25.7 ACRES

CALCULATIONS	YR	ESCAL FACTOR	BOND AMOUNT
$F = P(1 + i)^{**n}$			
F = Future Sum	1996	0.0242	\$0.00
P = Present Sum	1997	0.0236	\$0.00
i = Escalation Factor	1998	0.0502	\$0.00
n = number of periods	1999	0.0191	\$0.00
	2000	0.0244	\$43,109
Three Yr Average = 1.20%	2001	0.0421	\$44,924
Used to Project 5 Yrs	2002	0.0171	\$45,692
From the Year 2005	2003	0.0840	\$49,530
	2004	0.0200	\$50,521
	2005	0.0120	\$51,127
	2006	0.0120	\$51,741
	2007	0.0120	\$52,361
	2008	0.0120	\$52,990
	2009	0.0120	\$53,626
	2010	0.0120	\$54,269
	2011	0.0120	\$54,920

Updated Surety Amount Rounded (2011-\$) \$54,900

\*\* Average cost per acre = 2137 (\$/ACRE)